

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO**

In re

AAA IMPORTS, INC.

Debtor

CASE NO. 10-04048 BKT

Chapter 11

**APPLICATION FOR APPROVAL OF EMPLOYMENT
OF AUDITOR FOR THE DEBTOR**

TO THE HONORABLE COURT:

COMES NOW Debtor, applicant in this matter, through the undersigned attorney, who applies to the Court for the approval of the employment of Kercadó, Estrada & Co., PSC, as debtor's auditors and respectfully states and prays:

1. Debtor filed its petition for relief under Chapter 11 of the Bankruptcy Code on May 13, 2010 and is operating its business and property as Debtor in Possession.
2. Debtor seeks to employ the firm of Kercadó, Estrada & Co., PSC (the "auditors", or "Kercadó") to audit its financial statements and other accounting services, as per the attached engagement letter. Your applicant has chosen this accounting firm for the reason that it is well qualified to perform the work required of them in this case. (See below.)
3. The terms of the employment and of compensation for professional services, subject to the approval of the Court, are specified the in the engagement letter, and verified statement – both attached.
4. Kercadó, Estrada & Co., PSC. will seek to amend this statement immediately upon learning that:
 - a. Any representations made herein are incorrect, or

APPLICATION FOR APPROVAL OF EMPLOYMENT...
CASE NO. 10-04961 ESL

Page 2

b. There is an change of circumstances relating thereto.

5. That the proposed accountant has reviewed the provisions of PR LBR 2016-1.

6. To the best of applicant's knowledge, the professional whose employment is sought has disclosed its connection with the debtor, the creditors, any party in interest, their attorneys, their accountants and the US Trustee's Office or any person employed by said office in the attached verified statement.

7. The auditor is a disinterested person and his employment is in the best interest of the estate.

8. The auditor will not share or agree to share with any other person any amounts to be received as compensation.

9. In compliance with LBR 2014-1, we enclose the proposed auditor's Curriculum Vitae (or Firm Profile), and verified statement, which are made a part of this application.

10. The auditor fully understands that his fees must be approved by the Court and the US Trustee upon a proper application, in accordance with the Bankruptcy Code and has agreed to consult with the debtor and debtor's attorney at all times in connection with the work performed.

WHEREFORE, debtor requests that the court authorize the employment of the firm of Kercadó, Estrada & Co., PSC. upon the terms set forth herein.

RESPECTFULLY SUBMITTED

DATED:

I HEREBY CERTIFY that on this date I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the participants appearing in said record, including the US Trustee; additionally, on this date, a copy of the application was served on the US Trustee at Ochoa Bldg, 500 Tanca St, Suite 301, Old San Juan PR

APPLICATION FOR APPROVAL OF EMPLOYMENT...
CASE NO. 10-04961 ESL

Page 3

00901.

Attorneys for Debtor
EDGARDO MUÑOZ, PSC
PO Box 360971
San Juan, PR 00936-0971
Tel. (787) 524-3888
Fax (787) 524-3888

s/ EDGARDO MUÑOZ
USDC NO. 125713
emunoz@emunoz.net

APPLICATION FOR APPROVAL OF EMPLOYMENT...
CASE NO. 10-04961 ESL

Page 4

CERTIFICATE OF PROPOSED Auditor
Kercadó, Estrada & Co., PSC.

I, NESTOR KERCADÓ of Kercadó, Estrada & Co., PSC do hereby CERTIFY under penalty of perjury that to the best of my knowledge, information and belief, the following is true and correct:

1. Kercadó, Estrada & Co., PSC. maintains and manages an office for the practice of accounting, taxes, financial and consulting services. Our mailing address is 239 Arterial Hostos, Suite 903, San Juan, Puerto Rico 00918 . Our phone numbers are: Tel. 787-771-5025, Fax 787-765-0033 and electronic address: nkercado@gmail.com
2. We have agreed to perform the audit of debtor's finances, as more particularly set forth in the foregoing application for employment of auditor, which is subject to the approval of this Honorable Court. The undersigned has read the application and hereby states that, to the best of his knowledge, the same is true and correct.
3. The services will be rendered by the undersigned, who is also a Certified Public Accountant, duly admitted to practice as such in the Commonwealth of Puerto Rico, and by other members and staff of my firm. (See attached letter of engagement.)
4. There are no agreements on our part for the sharing with any person of any compensation or reimbursements received or to be received under 11 USC 330(a) and 503(b)(2), or otherwise in connection with this case, nor will share any such compensation or reimbursements received by another person under such sections.

APPLICATION FOR APPROVAL OF EMPLOYMENT...
CASE NO. 10-04961 ESL

Page 5

5. Applicant wishes to retain this accounting firm to perform the audit and for the preparation of audited financial statements which are necessary to comply with applicable law or regulation.

6. The terms of the employment of said auditors, subject to the approval of the court, and as agreed to, include compensation that will be sought as follows:

Audit planning procedures -	\$ 7,500.00
Inventory observation -	\$ 15,000.00
Audit field work including	
confirmation process -	\$ 11,000.00
Audit completion procedures -	\$ 2,000.00
PR Income tax return-	\$ 1,500.00
PR CRIM Return -	\$ 3,500.00
Volume of Business Returns (patente)	\$ 2,000.00
Annual Corporation Report..	\$ 1,500.00
	<hr/>
	\$44,000.00

7. In addition to the professional services detailed above, actual out of pocket expenses incurred in this case will be reimbursed.

8. No retainer has been received for post-petition work and the debtors have no debt outstanding with the auditors.

9. The auditors will amend this statement immediately upon learning that:

- i. Any representations made herein are incorrect, or
- ii. There is an change of circumstances relating thereto.

10. The appearing accountant also understands that the court may approve compensation different than that agreed to with debtor, upon appropriate findings under the applicable law.

11. That we have reviewed the provisions of PR LBR 2016-1. In compliance therewith,

APPLICATION FOR APPROVAL OF EMPLOYMENT...
CASE NO. 10-04961 ESL

Page 6

the undersigned professional to be employed (hereinafter the “professional”) makes the following disclosures under penalty of perjury, in accordance with subsection (b) of LBR 2014-1:

(1) Neither I nor any member of my Firm holds or represents any interest adverse to the estate of the above-named debtor.

(2) My connections and my Firm’s connections with the debtor, any creditor or other party in interest, their respective attorneys and accountants, the United States Trustee, or any person employed by the United States Trustee are as follows:

We have previously rendered accounting services to debtor. All such prepetition services were either paid by debtor prior to the filing of the bankruptcy case, or – if not paid – compensation for the same is hereby waived.

(3) I am, and each member of my Firm is, a “disinterested person” as that term is defined in 11 U.S.C. § 101(14).

(4) I have not agreed to share with any person, except members of my Firm, the compensation to be paid for the services rendered in this case.

(5) The terms of compensation agreed to are as follows:

Audit planning procedures -	\$ 7,500.00
Inventory observation -	\$ 15,000.00
Audit field work including confirmation process -	\$ 11,000.00
Audit completion procedures -	\$ 2,000.00
PR Income tax return-	\$ 1,500.00
PR CRIM Return -	\$ 3,500.00
Volume of Business Returns (patente)	\$ 2,000.00
Annual Corporation Report.	\$ 1,500.00
	<hr/>
	\$44,000.00

APPLICATION FOR APPROVAL OF EMPLOYMENT...
CASE NO. 10-04961 ESL

Page 7

In addition to the professional fees detailed above, the accountant will be paid actual out of pocket expenses incurred in this case.

(6) I will amend this statement immediately upon my learning that: (a) any of the representations made herein are incorrect, or (b) there is any change of circumstance relating thereto.

(7) I have reviewed the provisions of LBR 2016-1.

Signed under the pain and penalties of perjury in San Juan, Puerto Rico.

DATED:

7/21/2010



/s/ NESTOR KERCADÓ, CPA
Kercadó, Estrada & Co., PSC.
239 Arterial Hostos, Suite 903
San Juan, PR 00918
Tel. 787-771-5025
Fax 787-765-0033
E-MAIL:Nkercado@gmail.com

AAA-AppEmpl-AUDITOR.wpd